### **Questions and Answers for**

## **Home-Based Business**

# **Master Business License and Registration Department of Consumer and Regulatory Affairs**



The Master Business License and Registration Program streamlines the District's licensing procedures and requires all District businesses with \$2,000 or more in gross receipts, including non-profit organizations, to obtain a Master Business License.

### 1. Who must get a Master Business License?

Any business or individual, including a non-profit organization, that earns more than \$2,000 in gross receipts per year in the District.

### 2. How do I get a Master Business License?

- Existing License Holders Your license will be converted to a Master Business License through the renewal process. You do not have to worry about getting an application, you will receive a renewal form in the mail. As long as you have a current license after the amnesty period expires, even if it is not a Master Business License, you will not be subject to a fine.
- New Applicants -- Master A (businesses requiring an inspection or other preliminary approval) and Master B (all other businesses that do not fall under Master A, including most home-based businesses) – may obtain an application:
  - In person at DCRA's Business License Center, 941 N. Capitol Street, NE, Room 1100;
  - By applying online at the District's Business Resource Center, <u>www.brc.dc.gov</u>.<sup>1</sup> In January 2003, DCRA unveiled a greatly improved online application, which provides step-by-step instructions on obtaining your Master Business License.

### 3. What do I need to get a Master Business License?

You will need to fulfill the following requirements in order to apply:

- a. Home Occupation Permit (HOP). If you work out of your home, you will need to obtain an HOP. You may also qualify for the Expedited Home Occupation Permit, or E-HOP. Please see the attached fact sheet on E-HOP qualifications. To download the appropriate forms, please go to <a href="https://www.dcra.dc.gov">www.dcra.dc.gov</a> and click on "Permits."
- b. You must register with the Office of Tax and Revenue, and must show that you have filed an FR-500 for DC business tax. Please call (202) 727-4829 for more information, or visit the OTR website at <a href="https://www.cfo.dc.gov">www.cfo.dc.gov</a>.

<sup>&</sup>lt;sup>1</sup> Only certain Master Bs are available online at this time. Contact the MBL Info Center at (202) 442-4311, or via email at mbl.infocenter@dc.gov, to find our which businesses are available.

- c. You must have a valid Federal Employee Identification Number (FEIN) or Social Security number.
- d. If you are a corporation, partnership or limited liability company you must be registered in the District and in good standing. For instructions on how to register, please go to <a href="www.dcra.dc.gov">www.dcra.dc.gov</a> and click on "Corporate Registration."
- e. You must submit a Clean Hands Self-Certification attesting that you do not owe more than \$100 to the DC government. The form is included in the MBL application packet.

# 4. How do I get a Federal Employee Identification Number (FEIN), also known as Tax Identification Number (TIN)?

Online, please go to <a href="www.brc.dc.gov">www.brc.dc.gov</a>. By phone, call 1-800-829-3676 to request a Form SS-4. After you obtain and fill out the form, call 1-866-816-2065 to obtain your FEIN over the phone. Sole proprietors may use their Social Security numbers.

#### 5. What are the fees associated with the Master Business License?

Fees vary depending upon the type of business activity. Contact the MBL Info Center for more information. The following fees apply to all Master Business Licenses:

- New Master Business License fee (\$35) or Renewal fee (\$20)
- Endorsement fee (\$10 each)
- Home Occupation Permit (\$66)

### 6. How long is my MBL good for?

Your Master Business License is valid for two years. You will receive a renewal form in the mail prior to your expiration date. The renewal fee is \$20, plus underlying license fee and endorsement fee, as applicable. HOPs and E-HOPs remain valid as long as the ownership and use of premises remain the same, so therefore do not need to be renewed.

### 7. Where can I get more information?

- On the Internet District's Business Resource Center, <u>www.brc.dc.gov</u>, or DCRA's website, <u>www.dcra.dc.gov</u>.
- Email mbl.infocenter@dc.gov.
- By Phone Please call (202) 442-4311, Monday Friday, 8:30 a.m. 4:15 p.m.
- In Person You may pick up applications at the Business License Center, located at 941 N.
  Capitol Street, NE, Room 1100, Monday Friday, 8:30 a.m. 4:15 p.m.

### **EXPEDITED HOME OCCUPATION PERMIT**



Under the District of Columbia Master Business Licensing Program, you are required to obtain a Home Occupation Permit to conduct business from your home. The Expedited Home Occupation Permit (E-HOP) application, when properly completed and certified by you, will be approved if you certify that <u>all</u> of the following conditions are met. You must also certify that you have read and understand Sections 203.1 and 203.2 of the District of Columbia Zoning Regulations listed on this form. The one-time fee for the E-HOP is \$50.

### **Conditions for Expedited Home Occupation Permit Application**

- 1. The home occupation is located in my primary residence.
- 2. No more than the larger of 25% of the floor area of the home or 250 sq. ft. will be used for the home occupation. 60% of floor area may be allowed for a home artist studio.
- 3. The operation of my business does not produce a level of noise that exceeds the level that is normally associated with a residential area or the District's noise regulations.
- 4. No more than one person who is not a resident of the home will be engaged or employed in my home.
- 5. No structural alterations are required or planned in order to conduct my business from my home that would make it difficult to return the home to residential use.
- 6. The business does not create visual or audible electrical interference in television or radio receivers outside of the home, nor does it produce noxious odors, vibrations, glare or fumes outside of the home.
- 7. No vehicular trips by customers are made to my home.
- 8. Operation of my business does not require the parking and storage of commercial vehicles.
- 9. No direct sale of products will be made from my home except by telephone.
- 10.1 understand that only one sign is permitted which may not exceed one sq. ft., must be flush-mounted and may not be illuminated.
- 11. My profession is not licensed by the Department of Health.
- 12. No services for children such as tutoring or childcare are provided in my home.

